

## Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 AGRE-00 CEA-01 CIAE-00 COME-00  
DODE-00 EB-08 FRB-01 H-02 INR-07 INT-05 L-03  
LAB-04 NSAE-00 NSC-05 PA-02 CTME-00 AID-05 SS-15  
STR-06 ITC-01 TRSE-00 USIA-15 PRS-01 SP-02 SOE-02  
OMB-01 DOE-11 EA-12 NEA-10 ABF-01 FSE-00 /133 W  
-----097669 210653Z /11/44

R 191237Z JAN 78  
FM AMEMBASSY MADRID  
TO SECSTATE WASHDC 3152  
INFO AMEMBASSY PARIS  
AMEMBASSY LISBON

UNCLAS SECTION 01 OF 03 MADRID 00641

C O R R E C T E D C O P Y (PARA 2C PORTION MISSING ON ORIGINAL)

USOECD

E.O. 11652: N/A  
TAGS: EFIN, ETRD, OECD, EALR, ECON, SP  
SUBJECT: KEY ECONOMIC STATISTICS - NUMBER 13

REF: 77 MADRID 9976, 78 MADRID A-1

1. COMMENT ON NEWEST DATA: THE MONEY SUPPLY (M3) GREW  
AT AN ANNUAL RATE OF ONLY 2.2 PERCENT REPEAT 2.2  
PERCENT IN OCTOBER, CLEARLY SIGNALING THE GOVERNMENT'S  
DETERMINATION TO IMPLEMENT ITS MORE RESTRICTIVE  
MONETARY POLICY. NEW DATA ALSO SHOW THAT PRODUCTION  
AND ESPECIALLY INVESTMENT CONTINUE TO FALL. ALTHOUGH  
CONSUMER PRICES ROSE 0.9 PERCENT IN NOVEMBER, WHICH  
IS A BLESSING BY CURRENT SPANISH STANDARDS, A BIG  
INCREASE CAN BE EXPECTED FOR DECEMBER.

2. 1977 IN STATISTICS: BELOW ARE SOME KEY STATISTICS  
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FOR LAST YEAR, TOGETHER WITH COMPARABLE FIGURES FOR  
1976. WHERE APPROPRIATE WE ALSO SHOW THE 1978  
STATISTIC WHICH IS OFFICIALLY TARGETED OR PREDICTED.

A. REAL GDP  
1976: UP 1.7 PERCENT  
1977: UP 2.5 PERCENT

1978 TARGET: UP 1.1 PERCENT

B. CONSUMER PRICES

1976: UP 20 PERCENT

1977: UP 28 PERCENT

1978 TARGET: UP 17 PERCENT

C. UNEMPLOYMENT

1976 (4TH QTR): 5.3 PERCENT

1977 (3RD QTR): 5.9 PERCENT

1978 PREDICTION: INCREASED UNEMPLOYMENT

D. BOP CURRENT ACCOUNT DEFICIT (BILLIONS OF DOLLARS)

1976: 4.3

1977 (OUR ESTIMATE): 2.8-3

1978 TARGET: 2.8

E. INDUSTRIAL PRODUCTION TREND (NOTE: THIS INDEX  
SOMEWHAT OVERSTATES PERFORMANCE BECAUSE OF INFLATION)

1976: UP 13.2 PERCENT

1977 (1ST 8 MOS.): UP 2.3 PERCENT

F. INVESTMENT IN PLANT AND EQUIPMENT

1976: DOWN 1.0 PERCENT

1977 (1ST 8 MOS.): DOWN 9.4 PERCENT

1978 PREDICTION: DECREASED INVESTMENT

G. MADRID STOCK MARKET

1975: DOWN 20.2 PERCENT

1976: DOWN 29.6 PERCENT

1977: DOWN 32.7 PERCENT

H. ANNUAL MONEY (M3) GROWTH

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1976: 19.1 PERCENT

1977 TARGET: 18.7 PERCENT

1978 TARGET: 17.0 PERCENT

3. PROSPECTS FOR 1978: WE RECOMMEND THAT END USERS OF  
THESE STATISTICAL CABLES READ MADRID A-1, TITLED "A  
SYNOPSIS OF SPANISH ECONOMIC POLICY FOR 1978."

4. A. OUTPUT AND DEMAND

- (1) INDUSTRIAL PRODUCTION (1962100)

- INDEX

- (12/76: 380.7; 6/77: 412.3)

- 6/77 412.3

- 7/77 389.4

- 8/77 293.4 (VACATIONS)

- INDEX (TREND)

- (12/76: 381.5; 6/77: 391.2)

- 1/77 389.2

- 2/77 389.6

- 3/77 392.5

- 4/77 395.4

- 5/77 394.0

- 6/77 391.2
- 7/77 390.7
- 8/77 390.3
- (2) INVESTMENT IN PLANT AND EQUIPMENT
- INDEX (TREND) (1962100)
- (12/76: 306.7; 6/77: 281.5)
- 1/77 304.5
- 2/77 298.2
- 3/77 293.1
- 4/77 293.7
- 5/77 290.1
- 6/77 281.5
- 7/77 279.6
- 8/77 277.8

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- (3) DEPARTMENT STORE RETAIL SALES (1963100)
- INDEX (TREND)

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STR-06 ITC-01 TRSE-00 USIA-15 PRS-01 SP-02 SOE-02  
OMB-01 DOE-11 EA-12 NEA-10 ABF-01 FSE-00 /133 W  
-----057543 191357Z /43

R 191237Z JAN 78  
FM AMEMBASSY MADRID  
TO SECSTATE WASHDC 3153  
INFO AMEMBASSY PARIS  
AMEMBASSY LISBON

UNCLAS SECTION 02 OF 03 MADRID 00641

USOECD

- (12/76: 1,474.4; 6/77: 1,605.3)
- 6/77 1,605.3

- 7/77 1,622.4
- 8/77 1,631.1
- 9/77 1,635.3
- 10/77 1,639.4
- (4) STEEL PRODUCTION (1,000 METRIC TONS)
- (12/76: 930.5; 6/77: 961.4)
- 9/77 824.6
- (5) DOMESTIC CEMENT CONSUMPTION (1,000 METRIC TONS)
- (12/76: 2,036; 6/77: 2,480)
- 8/77 2,423
- 9/77 2,525
- (6) DOMESTIC ELECTRICITY DEMAND (MILLION KWH)
- (12/76: 8,036.0; 6/77: 6,681.6)
- 11/77 7,731.7
- (7) MADRID STOCK MARKET INDEX
- (SERIES NOW BASED ON DEC. 31, 1977100)
- (WITH DEC. 31, 1975100: DEC. 31, 197671.44)

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- AND WITH DEC. 31, 1976100: DEC. 30, 197767.29)
- JANUARY 17, 1978 96.28
- (8) GDP DATA: SEE MADRID A-1 TITLED
- "A SYNOPSIS OF SPANISH ECONOMIC POLICY FOR
- 1978."
- B. PRICE INDEXES
- (1) CPI (JUNE 1976100)
- (12/76: 107.9; 6/77: 122.3)
- 10/77 134.0
- 11/77 (UNOFFICIAL) 135.2
- (2) WPI: MAY 1977 IS STILL THE LAST MONTH FOR
- WHICH A STATISTIC IS AVAILABLE.
- C. MONEY
- (1) M1 (BILLIONS PESETAS) (NOT SEAS. ADJUSTED)
- (12/76: 2,384.7; 6/77: 2,425.0)
- 9/77 2,529.6
- 10/77 2,516.5
- (2) M3 (BILLIONS PESETAS) (NOT SEAS. ADJUSTED)
- (12/76: 6,266.7; 6/77: 6,610.5)
- 8/77 6,824.9
- 9/77 6,921.4
- 10/77 6,935.4
- (3) REPRESENTATIVE SHORT TERM INTEREST RATE (PERCENT)
- (12/76: 8.0; 6/77: 7.8)
- 9/77 17.5
- 10/77 18.9
- 11/77 (1ST 10 DAYS) 14.8
- (4) REPRESENTATIVE LONG TERM INTEREST RATE (PERCENT)
- (14.0 SINCE 1974)
- 3RD QTR 1977 14.0
- D. CENTRAL GOVERNMENT FISCAL RESULTS

- (NARROWLY DEFINED FOR NOS. 1-3 BELOW) (ALL DATA
  - ARE BILLIONS OF PESETAS)
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- (1) DEFICIT OR SURPLUS
- (12/76: -5.1; 6/77: -39.5)
- 1/77 9.3
- 2/77 11.9
- 3/77 -38.5
- 4/77 29.5
- 5/77 2.6
- 6/77 -39.5
- 7/77 (PROV) 31.9
- (2) EXPENDITURES
- (12/76: 110.3; 6/77: 98.6)
- 1/77 49.5
- 2/77 114.2
- 3/77 92.6
- 4/77 65.6
- 5/77 88.2
- 6/77 98.6
- 7/77 (PROV) 89.7
- (3) REVENUES
- (12/76: 105.2; 6/77: 59.1)
- 2/77 58.8
- 3/77 125.4
- 4/77 53.7
- 5/77 95.2
- 6/77 90.
- 7/77 (PROV) 121.6
- (4) NET GOVERNMENT FINANCE
- (12/76: -3.3; 6/77: 100.0)
- 1/77 -13.3
- 2/77 2.0
- 3/77 80.6
- 4/77 -16.1
- 5/77 42.1
- 6/66 100.0
- 7/77 (PROV) -8.9

- E. LABOR

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- (1) TOTAL WORKERS (THOUS)

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OMB-01 DOE-11 EA-12 NEA-10 ABF-01 FSE-00 /133 W  
-----057570 191357Z /44

R 191237Z JAN 78  
FM AMEMBASSY MADRID  
TO SECSTATE WASHDC 3154  
INFO AMEMBASSY PARIS  
AMEMBASSY LISBON

UNCLAS SECTION 03 OF 03 MADRID 00641

USOECD

- 3RD QTR 1977 13,222
- (2) UNEMPLOYMENT PERCENTAGE
- (4TH QTR 1976: 5.3; 2ND QTR 1977: 5.2)
- 3RD QTR 1977 5.9
- (3) EMIGRATION: NO NEW DATA
- (4) HOURLY WAGE INDEX (TREND) (1967100):
- NO NEW DATA
- F. TRADE AND PAYMENTS
- (1) EXPORT VALUE (FOB) (MILLIONS OF DOLLARS)
- (12/76: 1,116.8; 6/77: 787.7)
- 11/77 (\$183.18) 859.9
- (2) IMPORT VALUE (CIF) (MILLIONS OF DOLLARS)
- (12/76: 1,803.1; 6/77: 1,655.9)
- 11/77 (\$183.18) 1,472.9
- (3) EXPORT VOLUME (MILLION METRIC TONS)
- (12/76: 3.0; 6/77: 2.2)
- 11/77 2.4
- (4) IMPORT VOLUME (MILLION METRIC TONS)
- (12/76: 8.4; 6/77: 7.3)

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- 11/77 6.7
- (5) CURRENT ACCOUNT DEFICIT (BEFORE ADDITION)

- OF STANDARD RATIO ADJUSTMENTS) (MILLIONS
- OF DOLLARS)
- 9/77 (\$184.55) 20.0 (SURPLUS)
- 10/77 (\$183.98) 10.6 (DEFICIT)
- (6) FOREIGN EXCHANGE RESERVES (NET OF OBLIGATIONS;
- EXCLUDING NON-CONVERTIBLE CURRENCY) (MILLIONS
- OF DOLLARS)
- (12/76: 4,890.6; 6/77: 3,710.8)
- 10/77 5,899.9
- 11/77 (PROV) 6,175
- 12/77 (PROV) 6,130
- (7) FOREIGN DEBT: NO NEW DATA
- (8) MADRID DOLLAR EXCHANGE RATE
- (AVERAGE OF OFFICIAL BUYING AND SELLING RATES)
- DEC. 30, 1977 80.912
- JAN. 17, 1978 80.711 STABLER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC REPORTS, ECONOMIC DATA  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 19 jan 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 jan 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978MADRID00641  
**Document Source:** CORE  
**Document Unique ID:** 00  
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**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780035-0979, D780028-0960  
**Format:** TEL  
**From:** MADRID USOECD  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780146/aaaabmfb.tel  
**Line Count:** 348  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 8be93be2-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EUR  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 7  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 MADRID 9976, 78 MADRID A-1  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 07 mar 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3748613  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** KEY ECONOMIC STATISTICS - NUMBER 13  
**TAGS:** EFIN, ETRD, EALR, ECON, SP, OECD  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/8be93be2-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
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